



Environmental Services Division
Energy and Waste Management Bureau

For Immediate Release
November 20, 2006 DNR
Contact: Jim Bodensteiner (515) 281-8416
Bill Blum (515) 281-6486

NEAR-TERM DIRECTION OF OIL PRICES REMAINS UNCERTAIN

DES MOINES – Despite continued strong U.S. crude oil and natural gas supplies, Iowa gasoline and winter fuel costs have edged up. The average metro price of gasoline in Iowa went from \$2.08 to \$2.16, and heating oil and natural gas prices are higher as well.

On November 10, U.S. crude oil supplies totaled 336 million barrels, 1.7 percent higher than the previous month and 4.5 percent higher than this time last year. Crude oil prices on November 15 were at \$58.70/barrel, \$1.11 higher than the previous month and 1.5 percent higher than last year at this time.

“Oil prices are typically driven by the global balance between supply and demand,” said Jim Bodensteiner, program planner for the DNR. “Energy analysts we follow, however, are interpreting supply and demand data differently, making it difficult to reach consensus on upcoming energy prices. Winter weather could be the deciding factor this year.”

According to the DNR’s November 13 fuel price survey, the average retail price of heating oil in Iowa was \$2.28/gallon, \$0.08 higher than last month and 3.6 percent higher than the price of heating oil at this time last year.

On November 16, natural gas was trading at \$7.47/MMBtu, \$1.36 higher than a month ago, but 31.2 percent lower than the price of natural gas last year at this time (\$10.85/MMBtu). On November 10, U.S. natural gas stocks in storage totaled 3,450 Bcf, which is 8 Bcf (0.2 percent) higher than the previous month and 7.4 percent above the 5-year average inventory range for this time of year.

To limit the impact of high energy prices on their wallets, consumers should make improvements to their homes’ energy efficiency. Simply caulking and weather-stripping to eliminate air leaks can save 10 percent on a typical home’s energy bill. More tips for saving energy and money at home and on the road are available at www.EnergySavingTips.gov.

10% Ethanol Average Retail Price Per Gallon -- Major Iowa Cities

Self-Serve Ethanol	10/12/06	11/12/06	Difference
Ames	2.01	2.12	+0.11
Cedar Rapids	2.01	2.15	+0.14
Council Bluffs	2.00	2.10	+0.10
Davenport	2.09	2.18	+0.09
Des Moines	1.96	2.06	+0.10
Dubuque	2.09	2.20	+0.11
Fort Dodge	2.04	2.16	+0.12
Iowa City	2.14	2.20	+0.06
Sioux City	2.07	2.14	+0.07
Waterloo	2.08	2.14	+0.06
Webster City	2.17	2.20	+0.03
Average Metro Price	2.08	2.16	+0.08

Source: Oil Price Information Service, www.opisnet.com

Motor Fuels Survey State Average Price Per Gallon

Self-Serve	10/12/06	11/12/06	Difference
Regular Unleaded with 10% Ethanol	2.10	2.16	+0.06
Regular Unleaded	2.08	2.18	+0.10
Premium Unleaded	2.18	2.22	+0.04
Diesel	2.50	2.61	+0.11

Source: Oil Price Information Service, www.opisnet.com

Heating Fuels Survey

Heating Fuel Type	10/16/06	11/13/06	Difference
Natural Gas	6.11 (10/18)	7.47 (11/15)	+1.36
Propane	1.44	1.47	+0.03
#2 Heating Oil	2.20	2.28	+0.08

Sources: Wall Street Journal, Iowa Department of Natural Resources